

Bill 42 (2017), CD1
Early Testimony

From: CLK Council Info
Sent: Sunday, October 21, 2018 12:44 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name	Kelly Kitashima
Phone	808-728-3167
Email	kitashimaforcouncil@gmail.com
Meeting Date	10-30-2018
Council/PH Committee	Council
Agenda Item	Bill 42
Your position on the matter	Oppose
Representing Organization	Self
Do you wish to speak at the hearing?	No
Written Testimony	As a homeowner, I strongly Oppose the use of Property Taxes to fund Rail. Please vote NO to Bill 42
Testimony Attachment	
Accept Terms and Agreement	1

Hawai'i Construction Alliance

P.O. Box 179441
Honolulu, HI 96817
(808) 220-8892

October 30, 2018

The Honorable Ernest Martin, Chair
The Honorable Kymberly Marcos Pine, Vice Chair
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawai'i 96813

RE: Support for Bill 42

Dear Chair Martin, Vice Chair Pine, and members:

The Hawai'i Construction Alliance is comprised of the Hawai'i Regional Council of Carpenters; the Operative Plasterers' and Cement Masons' Union, Local 630; International Union of Bricklayers & Allied Craftworkers, Local 1; the Laborers' International Union of North America, Local 368; and the Operating Engineers, Local Union No. 3. Together, the member unions of the Hawai'i Construction Alliance represent 15,000 working men and women in the basic crafts of Hawai'i's construction industry.

We support of Bill 42, CD1 relating to funding for transit, and the accompanying Resolutions 18-127, 18-132, 18-237 and 18-239.

The Federal Transit Administration, via letter dated September 21st, is requiring the City to take action to fully commit \$44 million for management and administrative functions towards the project within 60 days. If not, the FTA can proceed with the remedies set forth in the project's Full Funding Grant Agreement.

We cannot risk losing \$745 million in federal grant money if the City does not act quickly to satisfy the FTA. We have no choice.

Rail construction is at a critical juncture. Management and administrative functions are vital to its success and we need to finish the job. Passage of Bill 42 is an important step in keeping the rail project moving forward.

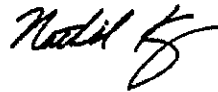
As you know, we have been strong advocates for the full build out of the Honolulu Rail Transit Project from West Kapolei to the University of Hawai'i at Mānoa. We believe this project is an important endeavor which will:

- Provide commuters with a fast, safe, and reliable alternative to driving in traffic congestion, eliminating tens of thousands of car trips that would otherwise be taken in private vehicles;
- Generate thousands of jobs in construction, engineering, and related fields, as well as additional indirect jobs in all sectors of our island's economy;
- Create the potential for transit-oriented development to take place in and around station areas, giving families the opportunity to affordably live, work, shop, and play closer to home; and

- Offer a more sustainable future for our island home through reduced CO₂ emissions and less dependence on costly, imported oil.

To that end, we humbly request your favorable action on Bill 42, so that progress on the project may proceed into urban Honolulu, as intended by the voters of the City and County of Honolulu.

Mahalo,

A handwritten signature in black ink, appearing to read "Nathaniel Kinney".

Nathaniel Kinney
Executive Director
Hawai'i Construction Alliance
execdir@hawaiiconstructionalliance.org

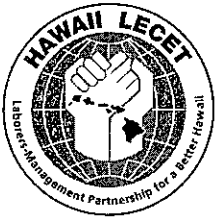
BILL 42 IS A PONZI SCHEME

BORROWING FROM BILL TO PAY TILL

COUNCILWOMAN KOBAYASHI SAID

BORROWING MONEY TO PAY OFF

BORROWED MONEY



HAWAII LABORERS-EMPLOYERS COOPERATION AND EDUCATION TRUST
650 Iwilei Road, Suite 285 · Honolulu, HI 96817 · Phone: 808-845-3238 · Fax: 808-845-8300 · URL: hilecet.org

October 25, 2018

ERNEST MARTIN, CHAIR
HONOLULU CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII 96813-3077

**RE: BILL 42 CD 1 (2017) – FUNDING FOR TRANSIT, RESOLUTION 18-127 AND
RESOLUTION 18-132 – GENERAL OBLIGATION BONDS, RESOLUTION 18-237 –
AGREEMENT WITH THE HONOLULU AUTHORITY FOR RAPID TRANSIT AND
RESOLUTION 18-239 – 2018 RECOVERY PLAN.**

Aloha Chair Martin, Vice Chair Pine, and members of the Honolulu City Council:

The Hawaii Laborers-Employers Cooperation & Education Trust (LECET) is a labor-management partnership between the 5000+ members of the Hawaii Laborers Union, Local 368, and its 250+ unionized contractors.

Hawaii LECET supports Bill 42 CD1 (2017), Resolution 18-127, Resolution 18-132, Resolution 18-237 and Resolution 18-239. Bill 42 CD1, along with the above-mentioned Resolutions, would provide the City with the flexibility to fund the Honolulu Rail Transit Project. It is imperative that the City have the authority to issue and sell General Obligation Bonds to finance capital costs of the Honolulu Rail Project by the FTA deadline. If this authority is not given and the City is not able to commit the required \$44 million identified in HART's previous financial plan, the City will risk losing the balance of the federal grant – approximately \$745 million.

Hawaii LECET is a longtime supporter of the Honolulu Rail Transit Project and believes that a rail system is essential on Oahu to provide the public with a much-needed transportation alternative and to facilitate the transformation of Honolulu's urban core into a sustainable metropolitan.

For these reasons, we ask for your consideration and support of Bill 42 CD1 (2017), Resolution 18-127, Resolution 18-132, Resolution 18-237 and Resolution 18-239.

With respect,

Hawaii Laborers-Employers Cooperation & Education Trust

From: CLK Council Info
Sent: Friday, October 26, 2018 1:06 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name	Cory Nojima
Phone	8085872644
Email	corynojima@yahoo.com
Meeting Date	10-30-2018
Council/PH Committee	Council
Agenda Item	Bill 42
Your position on the matter	Oppose
Representing	Self
Organization	
Do you wish to speak at the hearing?	No
Written Testimony	I am opposed to using my property taxes to fund the rail! I vote NO to Bill 42.
	Elefante should listen to the constituents in his district and vote NO!
Testimony Attachment	
Accept Terms and Agreement	1

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JANE SUGIMURA
98-500 Koauka Loop
Aiea, Hawaii 96701

October 26, 2018

Hon. Ernest Martin, Chair
City Council

Special Meetings: Tuesday, October 30, 2018 at 9:00 a.m. Council Chambers

Chair Martin and Members of the Honolulu City Council,

My name is Jane Sugimura, and I am a director of the Aiea Community Association (ACA) testifying in support of Bill 42, CD1 and Resolutions 18-127, 18-132, 18-237 and 18-239. ACA is a non-profit community-based organization dedicated to serving the Aiea community since 1998.

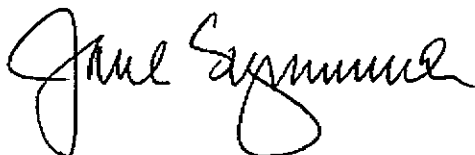
We have a number of active projects, all with the aim of making Aiea a better community to live in. Among these are the Aiea Sugar Mill site redevelopment, the Aiea Gateway project, the Loko Pa'aiau fish pond and the annual Aiea Community Christmas Parade and Family Fair.

Our association has followed the Rail project for many years. We have participated in many rail and TOD planning meetings. The alignment passes through our community with two stations in the Aiea area, near Pearl Ridge and Aloha Stadium. Our ACA members were instrumental in changing the proposed Hawaiian name for the Pearl Ridge station to Kalau'ao, which is historically more appropriate. We are looking forward to rail's completion.

We are aware that the Federal Transit Administration is requiring the City to fully commit \$44 million in funding towards the rail financial plan. The FTA has given the City a deadline for these additional funds and we must act immediately. We cannot risk losing \$745 Million in federal monies and jeopardize the FFGA if the City does not act to satisfy the federal government.

Please approve Bill 42, CD1 and the related HART resolutions to allow the rail project to move forward.

Thank you for allowing me to testify before you today.



GRASSROOT INSTITUTE OF HAWAII

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Oct. 30, 2018, 9:00 a.m.

Special meeting, Honolulu City Council Committee on Legislative Matters

Honolulu City Council

City Council Chamber

To: Ernest Y. Martin, Committee chair

Kymberly Marcos Pine, Committee vice chair

From: Joe Kent, Grassroot Institute of Hawaii executive vice president

RE: Bill 42 (2017), CD1¹ - FUNDING FOR TRANSIT: Allowing greater flexibility in the sources of monies to be used for the capital cost of the Honolulu Rail Transit Project. (Bill 42, CD1 passed second reading 10/17/18)

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Aloha, Chair Martin, Vice Chair Pine and other members of the Committee on Legislative Matters.

As you well know, your Committee on Legislative Matters is considering a measure, Bill 42, that would break the promise made by the full City Council in 2006 that city funds or bonds would not be used to fund the rail.

On Dec. 14, 2006, then-Councilmember Romy Cachola, as chair of the Council's Committee on Transportation and Planning, wrote a committee report to then-Honolulu Council Chair Donovan Dela Cruz stating:²

"Your Committee emphatically does not intend the capital cost of or debt service for the minimum operable segment to be paid with City real property tax revenues, City highway fund revenues, or City-issued general obligation bonds secured by the City's general credit or reimbursable from the City highway fund."

That report resulted in an update to Bill 79³ — subsequently approved by the full Council and then-Mayor Mufi Hannemann — that stated:

"... Capital cost and any interest to finance that capital cost shall be paid entirely from general excise and use tax surcharge revenues, interest earned on the revenues, and any federal, state, or private revenues ..."

¹ Summary of Proposed Committee Draft: Bill 42 (2017), CD1, available at <https://tinyurl.com/ybmmfz7s>.

² "Report of the Committee on Transportation and Planning," Romy M. Cachola, Chair; Ann H. Kobayashi, Vice-Chair, page 10, available at <https://tinyurl.com/y96rnr5q>.

³ Bill 79 (2006), CD2, FD2, Section 3, available at <https://tinyurl.com/y99a273j>, see also <https://tinyurl.com/ybhlt8en>.

Now, 12 years later — at a time when the rail project is vastly over-budget and behind-schedule — the Council is considering Bill 42 (2017), CD1,⁴ which would insert the word “city” in the list of revenues allowable to be paid for rail capital costs:

“... Capital cost and any interest to finance that capital cost shall be paid entirely from general excise and use tax surcharge revenues, interest earned on the revenues, and any federal, state, city, or private revenues ...”

Clearly, enactment of Bill 42 would violate promise made by the Council and mayor to Honolulu taxpayers in 2006 that city funds would not be used for the rail project.

It also would significantly damage the Council's credibility when it comes to any future statements and promises it might make about rail — or any other subject.

Mahalo,

Joe Kent
Executive vice president
Grassroot Institute of Hawaii

⁴ Summary of Proposed Committee Draft: Bill 42 (2017), CD1, page 1, available at <https://tinyurl.com/ybmmfz7s>.

1065 Ahua Street
Honolulu, HI 96819
Phone: 808-833-1681 FAX: 839-4167
Email: info@gcawahawaii.org
Website: www.gcawahawaii.org



GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via Council Website

October 30, 2018

Honorable Ernie Martin, Chair
Honorable Kimberly Marcos Pine, Vice Chair
Honolulu City Council
Honolulu, Hawaii

SUBJECT: SUPPORT OF BILL 42 (2017), CD1, FUNDING FOR TRANSIT. Allowing for greater flexibility in the sources of monies to be used for the capital cost of the Honolulu Rail Transit Project
Legislative Matters Committee Meeting: Tuesday, October 30, 2018
Special Full Council Meeting: Tuesday, October 30, 2018

Dear Chair Martin, Vice Chair Pine and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of over 500 general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. GCA's mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

The GCA is writing in support of Bill 42 (2017), CD1 which would satisfy the Federal Transit Authority's request that the \$44M in City and County of Honolulu funding will be fully committed to the project. While there were other alternatives that could have been considered prior to the 2017 legislative session to ensure such funding was available through other resources – this option is the only one available at this time. The added provision that specifies that the funding be used for "HART Admin" and "Additional Funds" as specified in the Baseline Financial Plan (Figure 6-1) of the Recovery Plan dated September 15, 2017, will further ensure that if any city funds are necessary that it be limited in use. Therefore, it is imminent that Bill 42 (2017), CD1 pass the Full Council and move on for final passage.

The GCA supports the Honolulu Rail Transit project and efforts to ensure the project is completed in its entirety and as planned. The funding of the project is one of the most crucial components to make certain that the project is delivered to the City and County of Honolulu and its residents. Any stoppage of work on the project will have a devastating impact on hundreds local families who are working on the project itself as well as the many transit oriented initiatives around rail.

The GCA continues to support the Honolulu Rail Transit Project together with the concerted efforts of all parties involved to plan and construct the rail transit project. All parties must continue to work together to get this project delivered to the residents of the City and County of Honolulu. Rail will provide the most reliable, cost-efficient and convenient transportation pipeline between urban Honolulu and West Oahu.

GCA appreciates the opportunity to share its testimony.

From: CLK Council Info
Sent: Saturday, October 27, 2018 11:50 AM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name	MELVIN AH CHING
Phone	808 800 9197
Email	macpro3000@yahoo.com
Meeting Date	10-30-2018
Council/PH Committee	Council
Agenda Item	Bill 42 (2017)
Your position on the matter	Oppose
Representing Organization	Self
Do you wish to speak at the hearing?	No
	To All Members of the Honolulu City Council.
	I oppose any increases to my property taxes to pay for the rail.
Written Testimony	Rail continues to be the mistake of the century that we cannot continue to pay for. Stop rail now.
	Aloha, Melvin Ah Ching
Testimony Attachment	
Accept Terms and Agreement	1

From: CLK Council Info
Sent: Sunday, October 28, 2018 9:56 AM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name garry p smith
Phone 8083925559
Email garrypsmith01@gmail.com
Meeting Date 10-30-2018
Council/PH Committee Council
Agenda Item bill 42
Your position on the matter Oppose
Representing Self
Organization
Do you wish to speak at the hearing? No

Written Testimony
Of all the promises about rail committed by the Mayors and City Council was that property taxes would not be taken to build rail. Now after making that promise year after year, it becomes convenient that it was not really a promise but a wish.
Table Bill 42 and any bills that would increase property taxes to build rail.

Testimony Attachment

Accept Terms and Agreement 1

To: Honolulu City Council

From: Mary Smart, Mililani, HI 96789

Subject: Opposition to Bill 42 CD 1 (and associated funding resolutions)

1. The repeated failure of the City and County of Honolulu to stay within budget for the Rail project is indicative of the incompetence of those involved with its management. An independent audit (not by the state) of the project is essential before any additional funding sources are identified or bond offerings approved. The only explanation for the sizable increases in cost, and the reluctance on the part to the City and County of Honolulu to allow an independent audit is that fraud and waste are rampant in regard to the Rail project and a “cover-up” is being perpetrated on the public.
2. Under no circumstance should the County go into more debt for this project. The Rail project may bankrupt our city as a similar project sent Puerto Rico into bankruptcy. Our population does not need, and most of us do not want the Rail project. We don’t want Transit Oriented Development (TOD). TOD is just an updated term for urban blight and slums. We want to keep Hawaii’s architecture in line with its Polynesian heritage and not turn it into a New York City or Hong Kong with its sunless condo canyons. Perhaps when this concept was adopted in the 1990’s there was hope that this would succeed – but time and experience shows us this is a failed and undesirable concept.
3. The City and County of Honolulu leadership, including Mayor Caldwell promised the State Legislature in the special session of August 2017 that the complete project would be funded if they just extended the in-place TAT. Shortly after the approval, leadership again reported that it was wrong, that more funds were needed. The people of Honolulu County are tired of being intentionally deceived by our government leaders. We don’t trust you and don’t want you committing any more funds to this failed project.
4. I have reviewed the City and County of Honolulu Budget (Ordinance 18-23 – Bill 15(2018), CD2, FD1) and see plenty of waste that could easily be trimmed to cover the Rail expenses. Therefore, if the city wants to cover some of the Rail debt by executing savings in other areas, that may be acceptable as long as those specific areas to be cut are designated in Bill 42 for community review and comment. Furthermore, add a statement in the amended SECTION 3 OF Ordinance 07-001 at the end of the paragraph that states: “Under no circumstance can property tax revenues be used to fund the Rail project.” Once the restriction is placed on the use of property taxes, revise the proposed SECTION 3 of Bill 42 (2017) CD1 to state: “...City revenues shall be limited to public service company taxes and the City’s share of the transient accommodations tax.” Rationale: the people of Oahu want the City and County to be prohibited from using property

taxes for the Rail system. The current paragraph indicates that property taxes can be used and that provision is unacceptable.

5. The City and County should not incur any additional debt for this albatross Rail project. The cost of servicing debt is wasted funds and an abuse of tax payers. The City and County must constrain its spending to eliminate debt.
6. It is very sad to see the beauty of Hawaii and the ocean views destroyed by the Rail infrastructure, which will only deteriorate more once the TOD, rack and stack condos are built. The rail and the accompanying condo towers are diminishing the beauty of our state. I can only imagine the noise contamination that will result once the Rail is in operation. The Rail system will be directly responsible for a reduction in our quality of life. As I travel down Kamehameha Highway in Pearl City, I question whether there was any planning for access to the transit access points. There are utility poles in the center of sidewalks making travel to the Rail difficult, especially if someone must transverse the sidewalk in a wheelchair.
7. Under no circumstance should additional taxes be collected. The City and County must live within their budget just like your constituents must do with their home budgets. I reviewed the budget and found several line items that could be eliminated and many that could be reduced substantially. I would be happy to assist in designating those unnecessary expenses. Neither the “Rainy Day Fund” (aka the Reserve for Fiscal Stability Fund”) nor any other special fund that is supposedly reserved for specific purposes should be used for Rail.
8. The people of Oahu have lost confidence in those individuals involved with management and oversight of the Rail project. We don’t want any more funds allocated to this money pit. It is old technology and the entire concept obsolete with old technology. Point to Point mass transit is a concept of the past that only “central planning” would deem acceptable. We need flexible, dynamic mobility solutions. Stop this out-dated project implement solutions that can be funded with the current funds in the budget. Below are some suggestions to reduce costs:
 - a. Conduct an independent audit of the Rail Project and recoup funds that have been defrauded from the project.
 - b. Implement a bus system that includes a variety of vehicle solutions including smaller, less costly vehicles that travel more frequently throughout the city and county. Hawaii used to be renowned for our bus service and we need to relook at that model for communal transportation for those who choose to use public transportation. Do not transition to electric buses that don’t have sufficient power to climb the hills at the posted speed limits.
 - c. Eliminate HART. It adds no value to the Project and excessive cost can be attributed to this entity. It was tried – and has proven to be a complete waste of taxpayer funds.

- d. Stop the Rail at Middle Street (or before Middle Street).
- e. Reduce the number of stations and implement an express train from the West side to the termination site (Ala Moana/Middle Street/Stadium).
- f. Under no circumstance expand the Rail beyond the 20 mile project currently planned.
- g. Convert the Rail infrastructure to a bike path or repurpose for other uses.
- h. Turn the project over to a private company to complete (not a public private partnership (P3)). Our City and County government has proven to be unable to manage the Rail project.
- i. Identify residents who support the rail and increase their taxes. If there are sufficient numbers of willing residents to fund and maintain the project, then it could continue. Unwilling residents should not be coerced into funding this monstrosity/eyesore.
- j. Stop construction and dedicate the infrastructure to a tourist attraction similar to Stonehenge. That will save us from the operation and most of the maintenance costs of a Rail System.

Thank-you.

From: Ed Wagner <ed.j.wagner@gmail.com>
Sent: Sunday, October 28, 2018 9:44 PM
Subject: Testimony in Opposition to Bill 42 & Resolutions 18-127, 8-132, 18-237, & 18-239

To Ernest Y. Martin, Chair and Members of the Honolulu City Council

FROM: Ed Wagner 623-7972
TESTIMONY FOR SPECIAL MEETING
CITY COUNCIL CHAMBER
TUESDAY, OCTOBER 30, 2018
9:00 A.M.

Aloha Chair Martin and Council Members,

I am vehemently opposed to Bill 42 and resolutions 18-127, 8-132, 18-237, and 18-239 because the rail project is the biggest fraud ever perpetrated upon our people since statehood and because you are destroying future generations on a system that was obsolete before construction ever began.

Clean Disruption - Why Energy & Transportation will be Obsolete
by 2030 - Oslo, March 2016

<https://www.youtube.com/watch?v=Kxryv2XrnqM>

All the concrete can be recycled for use as an artificial reef.

What I do support is an independent forensic audit that everyone wants except all of you. If it means that some of you go to prison as a result of its findings, then so be it!

Thank you for considering my testimony OPPOSING Bill 42 CD1 and Resolutions 18-127, 8-132, 18-237, and 18-239.

Mahalo

Ed Wagner
Mililani



HAWAII OPERATING ENGINEERS
INDUSTRY STABILIZATION FUND



Affiliated AFL-CIO
OPEIU - S - AFL-CIO 001

*Uniting our strengths and working together
for a better tomorrow.*

October 29, 2018

Honorable Ernest Martins, City Council Chair
Honorable, Kymberly Pine, Vice Chair
Honorable members of the Honolulu City Council

RE: SUPPORT BILL 42 (2017), CD2 – FUNDING FOR TRANSIT. Allowing for greater flexibility in the sources of monies to be used for the capital cost of the Honolulu Rail Transit Project.

Chair Ernest Martin and Members of the Honolulu City Council:

My name is Pane Meatoga III and I am the Community Liaison representing the Hawaii Operating Engineers Industry Stabilization Fund (HOEISF). We are a labor management fund representing 4000 unionized members in the heavy engineering site work and 500 general contractors specializing in heavy site and vertical construction.

Hawaii Operating Engineers Industry Stabilization Fund supports the passing of **Bill 42 with the proposed CD2**, to allow for greater flexibility in the sources of monies to be used for the capital cost of the Honolulu Rail Transit Project.

We believe that it is important to provide adequate infrastructure that will help alleviate the traffic congestion along the H-1 and H-2 freeways during the morning and evening commute for Honolulu residents. The Honolulu Rail Transit Project is a key component in this plan. Allowing more flexibility in what revenues sources can be used to assist in funding this project will help ensure this project is completed.

We cannot risk losing \$745 million in federal grant money. The City needs to act quickly to meet the demands of the FTA. Any stoppage of work on the project will have a devastating impact on hundreds of local families who are working on the project as well as the many transient oriented initiatives planned around the rail.

Sincerely,

A handwritten signature in black ink that reads "Pane Meatoga III". The signature is fluid and cursive, with a stylized "P" and "M".

Pane Meatoga III
Community Liaison
Hawaii Operating Engineers Industry Stabilization Fund

Marsha Rose Joyner
477 Opihikao Place * Honolulu, HI 96825
Mrjoy@hawaii.rr.com * 808-741-2612

11/29/2018

TO: Ernest Y. Martin, Chair & Presiding Officer
Members of the Honolulu City Council

FOR: SPECIAL MEETING
CITY COUNCIL CHAMBER
TUESDAY, OCTOBER 30, 2018
9:00 A.M.

Testimony

Bill 42 (2017), CD1 and CD2, Funding for Transit – OPPOSED
RESOLUTION 18-127 – GENERAL OBLIGATION BONDS (\$450,000,000) - OPPOSED
PROPOSED CD1 TO RESOLUTION 18-127 - OPPOSED
RESOLUTION 18-132 – GENERAL OBLIGATION BONDS (\$44,000,000) - OPPOSED
RESOLUTION 18-237 – AGREEMENT WITH THE HONOLULU AUTHORITY FOR
RAPID TRANSPORTATION (“HART”) - OPPOSED
RESOLUTION 18-239 – 2018 RECOVERY PLAN - OPPOSED

Just say no!

Hawaii State Representative Sylvia Luck, citing a recent report on rising sea levels, suggested to HART and other city transit officials to consider shifting the route of its planned rail line from Middle Street.

Therefore, I suggest complete the train to Middle Street and transfer to TheBUS.

First, let me say I have never been a fan of the 19th century steel on steel rail. Inasmuch as it is here I'm all in for getting it right.

The original design concept which was sold to us stated "The mostly-elevated system features design elements from both heavy rail systems and light metros, with a commuter rail-like design incorporated into trains and suburban stations."

The first phase of the project, beginning at East Kapolei and winding its way to Aloha Stadium, was scheduled to open in late 2020.

From the beginning Rail Cohorts have supported the system's "multi-modal" prospective, in which its transit passengers would also use TheBus, and other options to complete their commutes.

So why and when is it that HART and the City changed the plan?

Neal Milner stated "HART is essentially an organization with a bad history that is moving with no experience into uncharted territory.

Since early in 2008 election period and before, proponents of the system said it will alleviate worsening traffic congestion. Rail opponent Panos Prevedouros, questioned its cost effectiveness and the claims that would have marginal impact on future congestion. He was correct.

Since then new housing construction has added more streets and traffic in places unforeseen when the rail was conceived. Proponents said people will get out of their cars. But will they? Congestion is more than personal

vehicles; it includes tourist rental cars, ambulances, city buses, tour buses, trucks, motorcycles and now bike lanes.

Since December 2014, Honolulu rail has seen its costs spike and it has struggled to stay on budget. Passenger fares will only cover a fraction of the cost, of the 21-station system.

Thank you for considering my testimony
Mahalo



LIUNA!

TESTIMONY OF RYAN K. KOBAYASHI GOVERNMENT AND COMMUNITY RELATIONS DIRECTOR HAWAII LABORERS UNION (LIUNA) LOCAL 368

PETER A. GANABAN
*Business Manager/
Secretary-Treasurer*

ALFONSO OLIVER
President

JOBY NORTH II
Vice President

TONI FIGUEROA
Recording Secretary

JAMES DRUMGOLD JR.
Executive Board

ORLANDO PAESTE
Executive Board

JOSEPH YAW
Executive Board

MARTIN ARANAYDO
Auditor

RUSSELL NAPIHA'A
Auditor

MARK TRAVALINO
Auditor

ALFRED HUFANA JR.
Sergeant-At-Arms

SPECIAL CITY COUNCIL MEETING

NOTICE OF HEARING

DATE: Tuesday, October 30, 2018

TIME: 10:30 A.M.

PLACE: Committee Meeting Room

TESTIMONY ON LEGISLATIVE MATTERS CR-368, CR-369, CR-370, CR-371, CR-372. BILL 42 (2017) CD1 FUNDING FOR TRANSIT; RESOLUTION 18-127 GENERAL OBLIGATION BONDS; RESOLUTION 18-132 GENERAL OBLIGATION BONDS; PROPOSED CD1 TO RESOLUTION 18-237; RESOLUTION 18-239 – 2018 GENERAL RECOVERY PLAN; PROPOSED CD1 TO RESOLUTION 18-239; AND DISCUSSION ITEM THE WAIVER OF THE PROVISIONS OF THE CHARTER TO ENSURE THAT THE CITY DOES NOT LOSE FEDERAL FUNDING FOR THE RAIL PROJECT

ALOHA COUNCIL CHAIR MARTIN AND COUNCILMEMBERS,

My name is Ryan K. Kobayashi, Government and Community Relations Director for the Hawaii Laborers Union Local 368. The Hawaii Laborers Union (LIUNA), Local 368 is made up of over 5000 working and retired members across the State of Hawaii and we **support** Bill 42 (2017) and any Resolution Items or Discussion Items that would ensure that the City and HART does not lose Federal funding for the Honolulu Rail Transit project. We also **respectfully request the Council's support** of Bill 42 (2017) and any Resolution Items and/or Discussion Items listed above that would ensure that the City and HART does not lose Federal Funding for the Honolulu Rail Transit project.

We are at a point with Honolulu Rail Project where the Federal Transit Authority (FTA) is requiring the City to take steps to fully commit \$44 million identified in HART's previous financial plan. Presently, the FTA is withholding \$745 million of the funds dedicated to the project. If the City does not act quickly to satisfy the Federal Government we may not only lose this \$745 million, but be required to pay back the monies already released to this project.

Losing the Federal monies dedicated to this project could result in shutting down the project, the impacts of which would be widespread affecting not only to the construction industry, but also the island-wide and statewide economies. Stopping the rail project now could result in "tear down" costs, disposal costs, and lawsuits stemming from the numerous contracts that the City and HART have entered into to construct this project.

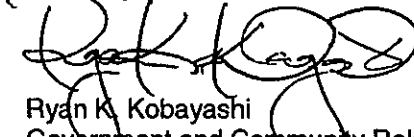
LIUNA Local 368
1617 Palama Street
Honolulu, HI 96817
Phone: (808) 841-5877
Fax: (808) 847-7829
www.local368.org

Feel the Power

A poll taken on September 5, 2017, shows that an average of 71% of the people polled across all Council Districts on O'ahu want to see the Rail project completed to Ala Moana. This shows that members of the public either know of the potential negative impacts on the City if the project is stopped, or at the very least recognize that we have come too far to stop the project at this point.

Rail construction is at a critical juncture, Management and administrative functions are vital to the success of the project and we need to finish the job. Therefore, the Hawaii Laborers' Union (LIUNA), Local 368 and its more than 5000 members **support** the passage of Bill 42 (2017) and any of the above resolution or discussion items that would ensure that the City does not lose Federal funding for the Honolulu Rail project, and **we respectfully request that members of this Council support Bill 42 (2017) as well.**

Sincerely,

A handwritten signature in black ink, appearing to read 'Ryan K. Kobayashi', written over a horizontal line.

Ryan K. Kobayashi
Government and Community Relations Director
Hawaii Laborers' Union, Local 368

From: CLK Council Info
Sent: Monday, October 29, 2018 12:08 PM
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name Pam Smith
Phone 8083985556
Email Pamleesmith@gmail.com
Meeting Date 10-30-2018
Council/PH Committee Council
Agenda Item Bill 42 (2017)
Your position on the matter Oppose
Representing Self
Organization
Do you wish to speak at the hearing? No

Once again, our city council is looking to break a long-standing promise to the people of Honolulu. Not only do they want to raid the general Fund for 44 million dollars in 2019, but want to continue to raid it for every year after for up to \$214 million!

Written Testimony
No.
Stop this madness now.

The high cost of living in Honolulu will skyrocket when Rail funding is pulled from property and other taxes. Will property taxes go up or will we lose more and more services to feed this beast? Either way the residents of Honolulu county lose.

Please vote no on this bill.

Testimony Attachment
Accept Terms and Agreement 1

GRASSROOT INSTITUTE OF HAWAII

Oct. 30, 2018, 9:00 a.m.

Special meeting, Honolulu City Council Committee on Legislative Matters
Honolulu City Council
City Council Chamber

To: Ernest Y. Martin, Committee chair

Kymberly Marcos Pine, Committee vice chair

From: Josh Mason, Grassroot Institute of Hawaii director of communications

RE: Bill 42 (2017), CD1¹ - FUNDING FOR TRANSIT: Allowing greater flexibility in the sources of monies to be used for the capital cost of the Honolulu Rail Transit Project. (Bill 42, CD1 passed second reading 10/17/18)

==

Aloha, Chair Martin, Vice Chair Pine and other members of the Committee on Legislative Matters.

As you well know, your Committee on Legislative Matters is considering a measure, Bill 42, that would break the promise made by the full City Council in 2006 that city funds or bonds would not be used to fund the rail.

On Dec. 14, 2006, then-Councilmember Romy Cachola, as chair of the Council's Committee on Transportation and Planning, wrote a committee report to then-Honolulu Council Chair Donovan Dela Cruz stating:²

"Your Committee emphatically does not intend the capital cost of or debt service for the minimum operable segment to be paid with City real property tax revenues, City highway fund revenues, or City-issued general obligation bonds secured by the City's general credit or reimbursable from the City highway fund."

That report resulted in an update to Bill 79³ — subsequently approved by the full Council and then-Mayor Mufi Hannemann — that stated:

"... Capital cost and any interest to finance that capital cost shall be paid entirely from general excise and use tax surcharge revenues, interest earned on the revenues, and any federal, state, or private revenues ..."

¹ Summary of Proposed Committee Draft: Bill 42 (2017), CD1, available at <https://tinyurl.com/ybmmfz7s>.

² "Report of the Committee on Transportation and Planning," Romy M. Cachola, Chair; Ann H. Kobayashi, Vice-Chair, page 10, available at <https://tinyurl.com/y96rnr5q>.

³ Bill 79 (2006), CD2, FD2, Section 3, available at <https://tinyurl.com/y99a273j>, see also <https://tinyurl.com/ybhl8en>.

Now, 12 years later — at a time when the rail project is vastly over-budget and behind-schedule — the Council is considering Bill 42 (2017), CD1,⁴ which would insert the word “city” in the list of revenues allowable to be paid for rail capital costs:

“... Capital cost and any interest to finance that capital cost shall be paid entirely from general excise and use tax surcharge revenues, interest earned on the revenues, and any federal, state, city, or private revenues ...”

Clearly, enactment of Bill 42 would violate promise made by the Council and mayor to Honolulu taxpayers in 2006 that city funds would not be used for the rail project.

It also would significantly damage the Council’s credibility when it comes to any future statements and promises it might make about rail — or any other subject.

Mahalo,

Josh Mason
Director of communications
Grassroot Institute of Hawaii

⁴ Summary of Proposed Committee Draft: Bill 42 (2017), CD1, page 1, available at <https://tinyurl.com/ybmmfz7s>.

From: CLK Council Info
Sent: Monday, October 29, 2018 12:41 PM
Cc: bkulbis@reagan.com
Subject: Council/Public Hearing Speaker Registration/Testimony

Speaker Registration/Testimony

Name	Brett Kulbis
Phone	808-352-1698
Email	bkulbis@reagan.com
Meeting Date	10-30-2018
Council/PH Committee	Council
Agenda Item	Bill 42, Resolutions 18-127 & 18-132
Your position on the matter	Oppose
Representing Organization	Organization Honolulu County Republican Party
Do you wish to speak at the hearing?	No

I am testifying on behalf of the Honolulu County Republican Party in total opposition to Bill 42 and any associated resolutions that involves the use of city (a.k.a. Oahu taxpayer) funds for rail. This precedent-setting measure gives Mayor Caldwell and the HART Board and you on the City Council a "blank check" for adding fees and increasing Oahu property taxes for rail construction and operations. The Honolulu County Republican Party has taken a position opposing any new legislation that leads to additional collections above the HART estimated \$9.3 billion through 2030 -- the very same project that voters in 2008 were promised right before the election would not cost more than \$5 billion. (The Rail Impact-

https://www.newspapers.com/clip/24835314/honolulu_starbulletin/?tpa=2KYEXc0gYxHSIQpjoE9kmQ%3D%3D)

Written Testimony

Ordinance 07-001 states, "capital cost and any interest to finance that capital cost shall be paid entirely from general excise and use tax surcharge revenues, interest earned on the revenues, and any federal, state, or private revenues," Bill 42 violates this ordinance by changing all the rules that taxpayers were explicitly promised would protect them. The General Excise Tax, initially implemented for 16 years of collections, has now been extended twice to a total of 24 years. While the 2017 state "BAIL-OUT" for rail, Act 1, extended the General Excise Tax to 2030, further burdening taxpayers; it also added one percent for 13 years for rail spending to the Transient Accommodations Tax; burdening tourism statewide to help pay for Honolulu's beleaguered rail construction project. At this point, all taxpayers were led to believe that this behind-schedule,

over-budget project finally had the adequate amount of money for completion. Clearly, we have been duped by our elected officials and by the rail industry which so generously funds the campaigns of these same elected officials.

The Hawaii State Legislature did add other provisions in Act 1 because of its members' expressed displeasure with the performance of both the city administration and the Honolulu Authority for Rapid Transportation. One provision called for a state audit, which has been under way for some months—and the State Auditor has encountered well-publicized difficulties in trying to complete his job because of impediments from HART. Without full transparency of all collections and expenditures, suspicions have arisen about potential culpability and calls have now been made for a forensic audit. We agree with those calls and insist that any audit be completed before another penny is allocated from any revenue source. If incompetence by HART and/or inaction due to dysfunction by the Honolulu City Council has caused the FTA to become rightfully impatient, then so be it. Taxpayers are tired of paying for your mistakes and weary of endless blank checks.

Act 1's other provision specified identifying "alternative routes and development options and the projected costs for each alternative route and development option for the Middle Street to Ala Moana segment of transit project." Not surprisingly, no information has been made public on any alternatives because of the tunnel vision exhibited by highly partisan rail supporters and the self-dealing rail industry. But the Honolulu County Republican Party knows that a myriad of options other than costly, heavy, steel-on-steel rail do in fact exist and must be sincerely explored. Now that the federal subsidy is no longer a whopping one-third of the project costs and is merely one-eighth of the ever-higher total construction cost, let's not be rushed as usual by the desire for federal dollars for rail. Let's get this right so that overtaxed Oahu residents are ultimately satisfied with a finished project that was once projected at just \$3 billion for the entire 34-mile system but will probably cost closer to \$20 billion when the planned Waikiki, UH Manoa, and West Kapolei extensions provided in the City Charter and LPA are realized.

Law Offices of
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A LAW CORPORATION
333 Queen Street, Suite 610
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brookhartlaw@gmail.com

FAX: (808) 531-2677

October 29, 2018

TO: Ernest Y. Martin, Chair, and Members of the Honolulu City Council - e-mailed to jyamane1@honolulu.gov

FROM: Brook Hart, 808-526-0811

TESTIMONY FOR SPECIAL MEETING, CITY COUNCIL CHAMBER
TUESDAY, OCTOBER 30, 2018, 9:00 a.m.

Re: Testimony OPPOSING Bill 42 CD1 and
Resolutions 18-127, 8-132, 18-237 and 18-239

Aloha Chair Martin and Council Members,

I am in favor of stopping the current Honolulu Rail Project at Middle Street, and re-assessing the operation after that portion of the project is built, BEFORE committing to spending billions of dollars more that we do not have. The contract to build the last major segment from Middle Street to Ala Moana has apparently not been signed, nor have the budget proposals been completed.

We have been told that no city funds would be used to fund the rail project; however, it appears that the city is being asked to cover an undisclosed amount of interest and issuance costs for any bonds proposed to finance the project.

Bill 42 refers to Resolution 18-239, which is for approval of HART's updated recovery plan. That updated financial recovery plan has not been approved by the HART Board of Directors. HART will meet on November 1, but only seven voting members are expected to attend, and they will not be able to approve the plan at that meeting; they are hoping to be able to approve it on November 15.

October 29, 2018
Page Two

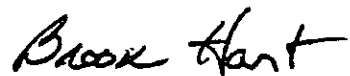
Updated plan relies on P3 (public-private partnership) for CCGS to contain cost and shift risks to private vendor - HART staff had said about two years ago, per Board Member Terry Lee, that it was too late in the game for P3.

Beginning cash of \$156 million for FY 2019 appears to be incorrect (Figure 6-2). The amount per cash audit is \$161 million, which correct amount HART presented as its cash projection at the August Board of Directors meeting.

The 2012 Full Funding Grant Agreement includes financing costs, but Resolution 18-239 does not.

I will not be able to attend the special council meeting scheduled for October 30, 2018. Thank you for considering this written testimony opposing Bill 42 CD1 and the resolutions regarding that Bill.

Sincerely,

A handwritten signature in black ink that reads "Brook Hart". The signature is written in a cursive, slightly slanted style.

BROOK HART

BH:ls